



REVIEW OF REPRESENTATION

Discussion Paper



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Background

The Shire of Merredin is a Band 3 Local Government with a population of 3,120 (2022, ABS).

In accordance with Schedule 2.2(6) of the *Local Government Act 1995* (the Act) which states a local government is required to review its representation at least once in every 8 years, the Shire of Merredin has resolved to undertake a review of its system of representation.

The purpose of the review is to assess whether nine (9) councillors and a no wards structure is still an appropriate situation for the Shire.

The Shire last reviewed its representation in 2019 and resolved that Council's representation remain unaltered at nine (9) councillors with no wards. While the Shire would not usually be required to conduct a review of representation again until 2026, the Department of Local Government, Sport and Cultural Industries (the Department) have recently announced Local Government Reforms which means the Shire has brought forward its review as the mechanism to implement the changes mandated by the Department.

Of note, the Reform sets limits on the number of Councillors, which means that the options considered by the Shire of Merredin for this review must be within the parameters set by the Department. This will see a reduction to the current number of Councillors moving forward.

This Discussion Paper has been developed to assist the community in considering options and ideas, as well as clarifying factors that will form part of the review.

The Shire will determine a preferred scenario relating to its representation following consideration of all submissions.

Local Government Reforms

In July 2022 the Department of Local Government, Sport and Cultural Industries announced its final package of reforms to the *Local Government Act 1995*.

The reforms are intended to provide a stronger, more consistent framework for local governments across the State, and are described as the most significant package of reforms for WA local governments since the Act was passed more than 25 years ago.

The Reforms will, amongst other things, abolish wards for Band 3 and 4 local governments and require the number of Councillors to be based on district population.

The Shire of Merredin is a Band 3 Local Government

The following rural local governments are also Band 3:

- Shire of Bridgetown-Greenbushes
- Shire of Capel
- Shire of Chittering
- Shire of Christmas Island
- Shire of Collie
- Shire of Coolgardie
- Shire of Dalwallinu
- Shire of Dandaragan
- Shire of Dardanup
- Shire of Denmark
- Shire of Donnybrook-Balingup
- Shire of Exmouth
- Shire of Gingin
- Shire of Halls Creek
- Shire of Irwin
- Shire of Katanning
- Shire of Kojonup
- Shire of Laverton
- Shire of Leonora
- Shire of Meekatharra
- Shire of Moora
- Shire of Narrogin
- Shire of Northampton
- Shire of Plantagenet
- Shire of Ravensthorpe
- Shire of Toodyay
- Shire of Waroona
- Shire of Yilgarn,
- Shire of York.

The number of Councillors for a local government with a population of up to 5,000 is proposed to be set at 5 – 7 including the Shire President, which would require the Shire of Merredin to reduce Councillor numbers from 9 to either 5 or 7.

A Bill to amend the Act and introduce the reforms is expected to be introduced to Parliament in early 2023 to allow the reforms to be implemented in time for the 2023 Ordinary Election (Election).

The Minister for Local Government has written to local governments providing the option of voluntarily enacting the reforms prior to the Election by undertaking a Ward and Representation Review under the *Local Government Act 1995* by 14 February 2023.

Alternatively, if local governments are unable to agree on a plan or opt out of the voluntary process, the Reform Election Pathway may be enacted, which would see all of Council's offices declared vacant, and the number of Councillor offices set based on the reform proposals.

The Election would then be held to fill all Council offices with a split between two- and four-year terms to re-establish an ordinary election cycle.

At the Ordinary Council Meeting on 25 October 2022, Council resolved to undertake a Ward and Representation Review to voluntarily implement the reforms, resolving:

That Council;

1) NOTES the correspondence to the Chief Executive Officer from the Hon John Carey MLA, Minister for Local Government, dated 20 September 2022, instructing local

governments of the two options available with respect to transitioning towards the proposed local government electoral reforms;

2) *AUTHORISES the Chief Executive Officer to advise the Department of Local Government, Sport and Cultural Industries, by 28 October 2022 of the following;*

- a) *The Shire of Merredin intends to adopt the ‘Voluntary Election Pathway’ as the preferred pathway for the election transition arrangements; and,*
- b) *The Shire of Merredin’s high-level plan is that Council will in principle, propose to reduce the number of sitting Councillors by one at Council election of each of the October 2023 and October 2025 ordinary elections, subject to the outcomes of a representation review, and public consultation. This recommendation is based on:*
 - i. *the allocated future total number of seven (7) Councillors being understood to be the maximum allowable number for the Shire of Merredin under proposed future legislation based on its current population, and,*
 - ii. *the need to reduce the risk to business continuity for the Shire, should all positions be declared vacant by the Department under the reform pathway.*
- c) *To deliver this and meet the requirements under both the current Act, and the Ministers instruction, the Shire of Merredin will undertake a Ward and Representation Review, to be forwarded to the Local Government Advisory Board for consideration by 14 February 2023.*

3) **AUTHORISES** the Chief Executive Officer to initiate a Ward and Representation Review to determine the specific changes to the structure of the Council for the 2023 and 2025 ordinary elections, to be completed by 14 February 2023.

4) **NOTES** the process will include public consultation, including the invitation of public submissions for a period of not less than six (6) weeks, during December 2022 and January 2023.

Current Situation

Currently the overall population of the Shire according to the 2021 Census is 3,120. The Shire of Merredin currently has 9 Council positions and 2405 Electors with a Councillor/Elector ratio of 1 Councillor to each 267 Electors. The Shire does not currently have any wards.

It should be noted – the above figures may be an underrepresentation of the number of eligible electors within the District.

The census records Merredin’s labour force at 1,484 (August 2021) whereas the Australian Bureau of Statistics (ABS) Small Area Labour Markets (SALM)

unemployment and labour force smoothed data records the labour force at 1,822 in September 2021.

The difference shown in the SALM data versus the recorded census population indicates the population should be considered to be 3,458 in 2021, which is a 3.7% increase on the 2016 census.

Aboriginal and Torres Strait Islander people form 4.7% of Merredin's census population, however, this again seems to be an underrepresentation of our actual demographic using school and service data from the same period.

Factors to be Considered

Several factors will be considered as part of the review and will include:

1. The advantages and disadvantages of reducing the number of Councillors;
2. The advantages and disadvantages of maintaining a no ward structure;
3. The implications of any change to the councillor/elector ratio; and
4. The cost of Councillors to the Shire.

Options to Consider

The Council will consider the following scenarios and members of the community may suggest others:

1. Reduce the number of Councillors to 7. Under this proposal, the Shire would maintain the current system of representation, but reduce the number of councillors from 9 to 7 – using a staged approach to implement the change over two election cycles.
2. Reduce the number of Councillors to 5. Under this proposal, the Shire would maintain the current system of representation, but reduce the number of councillors from 9 to 5 – using a staged approach to implement the change over two election cycles.
3. Community of Interest: Under the Reform, inclusive local democracy, and relations with Aboriginal Peoples and Communities has been highlighted as a priority. The Shire of Merredin considered if there was a way for Councillor representation to include at least one of the anticipated 7 Councillor positions to be held for traditional owners within the area. No legally appropriate instrument was found to enable this to occur.

The options of each scenario will be assessed against the following criteria:

1. Community of interests;
2. Physical and topographic features;
3. Demographic;
4. Economic factors; and
5. Ratio of Councillors to Electors.

The Local Government Advisory Board offers the following interpretation of these factors.

1. Community of interests

The term “community of interests” has a number of elements. These include a sense of community identity and belonging, similarities in the characteristics of the residents of a community and similarities in the economic activities. It can also include dependence on shared facilities in an area as reflected in catchment areas of local schools and sporting teams or the circulation areas of the local newspaper.

Neighbourhoods are important units in the physical, historical and social infrastructure and often generate a feeling of community and belonging.

Shire of Merredin Comment:

In addition to the main Merredin townsite, dispersed townsites include Burracoppin (population 140), Muntadgin (population 51), Hines Hill (population 30), Nukarni (population 49) and Nangeenan (population 64).

Merredin’s ATSI population as recorded at the time of the census includes 232, or 4.7% people throughout the Shire, however this is likely an under-recording of the actual ATSI population within the Shire.

When options are considered, representation of ATSI people is a key consideration.

As part of the Reform process, the reform recognises the unique status of Aboriginal people as traditional owners of the land and ensures that they are empowered to engage in decision-making in their local communities.

The Panel recommended that further consideration be given to the manner of recognition, and the options for inclusion, engagement and shared decision making between local governments and Aboriginal communities, through consultation with the Department of Premier and Cabinet and the Aboriginal Advisory Council of Western Australia, and with reference to practices in other states, the Northern Territory and New Zealand.

The creation of wards would unfortunately not provide an appropriate vehicle for ATSI representation in Merredin, as there is not the same geographical communities within Merredin that may occur in the Pilbara or Kimberly.

This means there is not currently an appropriate legal mechanism for the Shire of Merredin to consider the matter of specific ATSI representation further in conjunction with its traditional owners.

The Shire of Merredin recommends this be noted in its submission to the Local Government Advisory Board.

2. Physical and topographic features

These may be natural or man-made features that will vary from area to area. Water features, such as water courses and catchment boundaries, may be relevant considerations. The farmland, parks and reserves may be relevant, as may other man-made features, such as Great Eastern Highway and other major and minor roads.

Shire of Merredin Comment:

There are no relevant considerations here which should inform representation. While there is an agricultural and townsite split, the current voting system allows for appropriate representation.

3. Demographic trends

Several measurements of the characteristics of human population size and its distribution by age, sex, occupation and location provide important demographic information. Current and projected characteristics will be relevant, as well as similarities and differences between areas within the Shire.

Shire of Merredin Comment:

As previously described, the census records Merredin's labour force at 1,484 (August 2021) whereas the ABS SALM unemployment and labour force smoothed data records the labour force at 1,822 in September 2021.

The difference shown in the SALM data versus the recorded census population indicates the population should be considered to be 3,458 in 2021, which is a 3.7% increase on the 2016 census.

Aboriginal and Torres Strait Islander people form 4.7% of Merredin's census population, however, this again seems to be an underrepresentation of our actual demographic using school and service data from the same period.

There has been a general bracket increase in terms of the age of Merredin residents, mainly resulting in an increase in the percentage of the population in the 25-64 age bracket in Merredin, with 1,922 residents in this bracket as compared to 1,659 in 2011. Merredin has 288 families with children, which is a higher portion of families with children than compared to the percentage in WA, or Australia.

These demographic trends do not require a change to the recommended representation.

4. Economic factors

Economic factors can be broadly interpreted to include any factor that reflects the character of economic activities and resources in the area. This may include the industries that occur in an area (or the release of land for these) and the distribution of community assets and infrastructure such as road networks.

Shire of Merredin Comment:

The five highest output industries for Merredin include:

1. Agriculture- \$84.28 million (14.3%)
2. Electricity, Gas, Water & Waste Services- \$69.03 million (11.7%)
3. Transport, Postal & Warehousing- \$65.28 million (11.1%)
4. Construction-\$46.17 million (7.8%)
5. Rental, Hiring & Real Estate Services- \$45.9 million (7.8%)

These five have a subtotal of \$310.66 million. The remainder of industries are \$278.58 million output value, total = \$589.24 million, with the top 5 % of total outputs – 52.7%.

There are no key considerations here which require representation consideration.

5. Ratio of Elected Members to Electors in the various wards

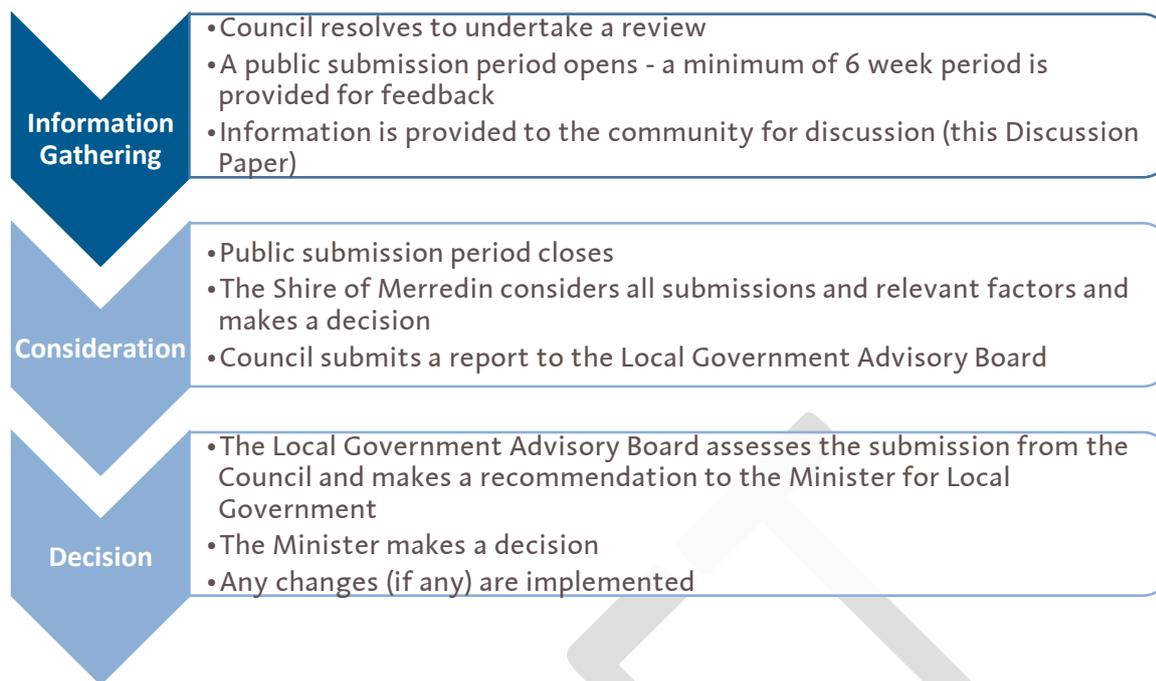
It is expected that each local government will have similar ratios of electors to elected members across its municipality. The Advisory Board stipulates the importance of keeping the Councillor/Elector ratio preferably within plus or minus 10%.

Shire of Merredin Comment:

Council is not proposing to include a ward system as this will be required to be removed under the reforms, therefore this is not required.

Review Process

The review process must be carried out in accordance with the provisions of the *Local Government Act 1995*. This involves a number of steps:



Any changes, if approved by the Minister, are hoped to be in place for the next ordinary election in October 2023.

More details about the Local Government Advisory Board, and its roles and processes are available at:

<https://www.dlgsc.wa.gov.au/localgovernment/forcouncils/Pages/LGAB.aspx>

Timeline

The following timeline is proposed in respect to the review:

Date	Action
25 October 2023	Council decision to undertake review
20 December 2023	Council meeting – Council approval of discussion paper
21 December 2023	Public notice period commences inviting submissions – 6-week minimum statutory advertising
8 February 2023	Public notice period finishes - Officers finalise assessing public submissions and prepare report and recommendation for Council
14 February 2023	Council meeting – Council to resolve preferred representation option for forwarding to the Local Government Advisory Board

Reducing the Number of Councillors

The advantages of a reduction in the number of Councillors may include:

1. It is a requirement of the reform process.
2. The decision-making process may be more effective and efficient if the number of Councillors is reduced. It is more timely to ascertain the views of a fewer number of people and decision making may be easier. There is also more scope for team spirit and cooperation amongst a smaller number of people.
3. The cost of maintaining Councillors is likely to be reduced.
4. The increase in the ratio of Councillors to Electors is unlikely to be significant.
5. Consultation with the community can be achieved through a variety of means in addition to individuals and groups contacting their local Councillor.
6. A reduction in the number of Councillors may result in an increased commitment from those elected, reflected in greater interest and participation in Council's affairs.
7. Fewer Councillors are more readily identifiable to the community.
8. Fewer positions on Council may lead to greater interest in elections with contested elections and those elected obtaining a greater level of support from the community.
9. There is a State-wide trend for reductions in the number of Councillors and many local governments have found that fewer Councillors works well.

The disadvantages of a reduction in the number of Councillors may include:

1. A smaller number of Councillors may result in an increased workload and may lessen effectiveness.
2. A reduction does not acknowledge seasonal pressures which may occur at times such as harvest in a primarily agricultural region.
3. A demanding role may discourage others from nominating for Council.
4. There is the potential for dominance in the Council by a particular interest group.
5. A reduction in the number of Councillors may limit the diversity of interests around the Council table.
6. Opportunities for community participation in Council's affairs may be reduced if there are fewer Councillors for the community to contact.
7. An increase in the ratio of Councillors to electors may place too many demands on Councillors.

Maintaining a No Ward Structure

The advantages of maintaining a no ward structure:

1. It meets the requirements of the reform as outlined by the State Government.
2. Councillors are elected by all Electors of the district and not just one section of the district.
3. Members of the community are able to approach all Councillors without the perceived barrier of having to approach a Ward Councillor.
4. Each Councillor represents the whole district and not a specific ward.
5. Social networks and communities of interests are often spread across the district.

The disadvantages of maintaining a no ward structure

1. Some electors may feel that their locality is not appropriately represented.
2. May lead to a “us” (town) and “them” (rural) mentality, with decisions not made in the best interest of the whole Shire.
3. There is potential for an interest group to dominate Council.
4. Councillors may feel overwhelmed by having to represent all electors and may not have the time or opportunity to understand and represent all the issues.

Cost of Councillors

The financial costs can be assessed generally by reference to Council’s current Budget.:

Based on the current Councillor allowances, the reduction in costs is represented below:

Number of Councillors	Councillor Allowance	Reduction in Cost
9 (current)	\$79,911	\$0
7	\$62,153	\$17,758
5	\$44,395	\$35,516

Implications of any Change to the Councillor/Elector Ratio

The following tables presents 2021 statistics of the possible changes to the representation for the Shire of Merredin.

Local Government	Number of Electors	Number of Councillors	Ratio	Wards
Merredin	2405	9	267:1	No
Merredin	2405	7	343:1	No
Merredin	2405	5	481:1	No

Public Submissions

This Paper outlines all possible Council composition options under the reforms to gauge public consensus and assist Council with reaching a final determination.

The options outlined in the Discussion Paper are provided for discussion purposes only and are not intended to be all encompassing or to indicate which options would be supported by Council.

The public are invited to make a submission about any aspect of this review. Submissions can be made by completing an online survey to indicate a preferred Council composition and provide any additional comments, or via the attached feedback form.

Public submissions are invited and must be received by no later than **4.00pm on Wednesday 8 February 2023.**

Alternatively, written submissions can be addressed to the Chief Executive Officer and emailed (preferred option) to ea@merredin.wa.gov.au or posted to PO Box 42, Merredin WA 6415.

Thank you for your interest and involvement in this review. Council welcomes your comments on any matters that may assist it to make informed and responsible decisions for the benefit of the people of the Shire of Merredin.

Mark McKenzie
Shire President

Lisa Clack
Chief Executive Officer

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Feedback Form

1. What do you think is the ideal number of Councillors for the Shire of Merredin?

Seven

Five

Comments:

2. The Shire of Merredin does not currently have wards. Do you have any comment on this?

Comments:

3. Do you think the Shire of Merredin has communities of interest that should be represented differently?

Yes

No

Name of Community of Interest: _____

Comments:
